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SUBJECT: CZECH PM TOPOLANEK'S CIVIC DEMOCRATS AT A
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[1](#)B. PRAGUE 681
[1](#)C. PRAGUE 727
[1](#)D. PRAGUE 704
[1](#)E. PRAGUE DAILY 11/26/2008

Classified By: DCM MARY THOMPSON-JONES FOR REASONS 1.4 (B) AND (D).

[1](#)1. (C) SUMMARY: In one week, the ruling Civic Democratic Party (ODS) will meet to debate its future direction and elect new leadership. The domestic political scene, which was in turmoil following the opposition's sweeping victories in the October regional and senate elections, has become more settled, a development that seems to favor PM Topolanek's candidacy for reelection as ODS chairman. His challenger, Prague mayor Pavel Bem, is losing momentum, despite strong support from Czech President Vaclav Klaus. The December 5-7 ODS congress will also be important for unblocking the domestic political logjam. Many key decisions, including a cabinet reshuffle and a political cease-fire agreement with the opposition, are being postponed until after the ODS congress. PM Topolanek's reelection as ODS chairman is also key for the Czechs' approaching EU presidency and ratification of the MD agreements. However, it is less clear whether his reelection will help the party unify and rebuild in advance of the 2010 parliamentary elections. END SUMMARY.

POST-ELECTION TRAUMA

[1](#)2. (C) When the nearly 500 ODS delegates converge on Prague on December 5-7, they will have several vital decisions before them, including electing new leadership and setting a direction for the party in the crucial 18 months before the next regularly scheduled parliamentary elections in June [1](#)2010. Even more important, however, will be the process of reuniting the party after the October regional and senate elections, in which ODS suffered the worst defeat in years. In the days immediately following the election, ODS was gripped by a near panic (refs A and B). Attacks on PM Topolanek were coming from all sides, but especially from ODS' first deputy chairman and Prague mayor Pavel Bem and the governors who lost their seats. Even President Vaclav Klaus, who remains ODS' honorary chairman, jumped on the anti-Topolanek bandwagon, "momentarily" forgetting the pledge he made following his February reelection as president to remain above politics. For ODS, which was already fractured before the October elections, this acrimonious public airing of their dirty linen will make any efforts to reunite the party much more difficult.

[1](#)3. (C) For many Civic Democrats this congress and the open warfare within the party that has preceded it are reminiscent of the 1997 events, which came to be known as the "Sarajevo assassination," in which then Prime Minister Vaclav Klaus was abandoned by key members of his party and government while he was traveling in Bosnia. The party split over a campaign

finance scandal, and it took ODS eight years to recover from this trauma. Many party stalwarts took Bem's ferocious behind-the-scenes maneuvering as a sign that the party could be descending into a Sarajevo II. Some even interpreted Topolanek's decision to cancel his October White House meeting with President Bush as having been motivated by fear that he could be unseated a la Klaus while traveling outside the country.

TOPOLANEK, BEM, AND A BRIDGE

14. (C) There are signs, however, that the initial post-October disarray has been gradually replaced by cold political calculations of what outcome at the December congress is necessary to keep ODS in power. These calculations for a vast majority of ODS members appear to point in the direction of PM Topolanek. There is no doubt that PM Topolanek was taken aback by the extent of the October electoral losses, and it took him a couple of weeks to assess the situation and declare that he would run for reelection as ODS chairman. Bem, who quickly emerged as his chief -- and in the end, the only -- declared opponent, undoubtedly played a key role in Topolanek's assessment. For many in ODS, the Topolanek-Bem contest will be a deja-vu because the two had already squared off in 2002, when Klaus stepped down as party chairman. As in 2002, Klaus will reprise his role as Bem's supporter-in-chief.

15. (C) Topolanek calculated -- probably correctly -- that for a variety of reasons, he could win against Bem. Despite

PRAGUE 00000737 002 OF 004

the fact that Bem is consistently ranked as one of the most popular Czech politicians in public opinion polls, his popularity does not extend far beyond Prague. Indeed, in the weeks since declaring himself a candidate, Bem has been able to win in only two non-Prague ODS primaries. Topolanek has dominated everywhere else, including in some Prague contests.

Ironically, Klaus' open support for Bem and tough criticism of Topolanek may have hurt Bem's chances. Klaus has been labeled by many as an ungrateful backstabber who turned on Topolanek despite the fact that Topolanek twice engineered Klaus' election as president. Some in ODS also resent Klaus' continued meddling in ODS politics. Perhaps more directly damning for Bem is the widely held perception that he is nothing more than Klaus' puppet with no views of his own.

16. (C) Topolanek, who is a skillful politician, has managed to compound these weaknesses of his opponent with a ruthless use of the resources available only to him. As prime minister, Topolanek continues to have his hands on the levers of political power and on the government's purse strings. By a lucky coincidence, the government's 2009 budget is moving through the parliament at this time, and Topolanek can ensure that pet projects of ODS congress delegates find their way into the final bill. And, as is usual in Czech politics, political "fixers," including powerful figures like Minister of Interior Ivan Langer, have also been engaged in promoting Topolanek's cause. Finally, Topolanek has deliberately postponed the decision on his planned cabinet reshuffle and has used the time to peel away Bem's supporters with promises of positions in his new cabinet. That his strategy is working was clear last weekend, when deputy ODS chairman Petr Bendl, who until then was Bem's most stalwart and powerful ally within ODS, announced that Bem is fighting a "lost battle" and indicated that he may accept a position in Topolanek's cabinet.

17. (C) Other ODS congress delegates, who may not have cabinet aspirations, have nevertheless calculated that their near-term future appears brighter with Topolanek at the helm. For example, Topolanek has overwhelming support among ODS parliamentarians, even those from Prague. Members of parliament expect that if Topolanek is reelected as ODS

chairman, they are more likely to serve out their whole term and not face the prospect of an early election. Among these rather parochial considerations, more serious and statesmanlike arguments for Topolanek's reelection have also been heard. For one, his reelection as ODS chairman will ensure that the Czech Republic will be able to take over the EU presidency in as orderly fashion as is possible for a fractured coalition government with a hobbled prime minister (ref C). Similarly, Topolanek remains the best possible advocate for missile defense (MD), which for the vast majority of ODS is not just a policy priority, but also an "emotional issue," to use Petr Bendl's words (ref D).

¶8. (C) However, as Senate Chairman Premysl Sobotka recently told Ambassador Graber, ODS elects its leadership by a secret ballot. Therefore, despite his comfortable lead at the moment, Topolanek is not assured of victory. Several ODS politicians have tried to position themselves as possible consensus candidates who could "bridge" the divide between the two warring wings of the party. None of those who have so far raised their hands would promise to be anything but a temporary solution. Prospective "bridges" such as Senator Jaroslav Kubera, MP Oldrich Vojir, or MEP Jan Zahradil, do not have the gravitas, energy, or vision that the party desperately needs after the October electoral debacle. Their election would very likely condemn ODS to a defeat in the 2010 parliamentary elections. One prominent ODS official told us, however, that if Topolanek fails in his bid, he may turn to someone whom he trusts and is widely respected in the party: DPM Alexandr Vondra. When it comes to ODS politics, Vondra generally flies under the radar screen, but as a compromise candidate, there could be none better. He is close to both Topolanek and Bem, which is something few in today's ODS can say.

PRAGMATISM VERSUS BLUE ROOTS

¶9. (C) If recent polls are any guide, however, ODS chances in 2010 are not good, no matter who is elected as party chairman in December. The opposition Social Democrats (CSSD) have the momentum from the October regional and senate elections, and they have the advantage of not having to govern during a global financial crisis, which will have a negative impact on the Czech economy. Similarly, CSSD has found a powerful message which resonates with Czech voters: the roll-back of ODS-engineered reforms, especially in the

PRAGUE 00000737 003 OF 004

health care system. And therein lies one of the most significant problems before the ODS congress: how to redirect the ODS so that it stays true to the party's conservative ideals, while at the same becoming more appealing to the voters.

¶10. (C) For Bem, the answer to this dilemma has been to urge the party to return to its roots, in the case of ODS, its "blue roots," since the party's color is blue. Bem has sought to cast the entire Topolanek tenure as ODS chairman as a departure from the conservative ideals instilled in the party by its founder -- and Bem's principal backer -- President Klaus. While neither Bem nor any other Klaus acolyte has been able to explain what exactly is meant by these blue roots, the argument does resonate with some ODS stalwarts who stuck by Klaus after Sarajevo I. Similarly, Bem has argued that Topolanek compromised too many ODS principles and priorities to the advantage of his coalition partners, the Greens and the Christian Democrats. Finally, taking a note from Klaus' song book, Bem has also attacked Topolanek's pro-Lisbon Treaty stance, which has been faint at best, but even that is too much for the euroskeptical purists in ODS.

¶11. (C) Topolanek in turn has done a fairly credible job defending the party's direction since 2002, which has

generally been more pragmatic, mainstream and pro-European. Until the October regional and senate elections, ODS under Topolanek had won every election it had entered, from presidential to parliamentary to municipal and regional. Clearly Topolanek's record was aided by two facts: 1) ODS did not lead the central government during much of that time and could score easy points by criticizing the party in power (ironically, in the October senate and regional elections, the tables were turned, and this time CSSD capitalized on not being the party in power); 2) gradual disappearance of ODS alternatives on the right side of the political spectrum. Despite the October losses, Topolanek clearly believes that his pragmatism, including its more pro-European bent, is still the right approach going forward. He will have to defend that stance at the congress.

BREAKING THE POLITICAL LOGJAM

¶12. (C) Because his future in the ODS is yet to be determined, Topolanek has put on hold many key decisions, including a cabinet reshuffle and an agreement on a political cease-fire with the opposition CSSD. His fight to stay at the top of ODS has also diverted Topolanek's attention from preparations for the EU presidency, as well as the day to day functioning of his government and coalition. With regard to the EU presidency, however, Topolanek has been able to rely heavily on DPM Vondra, who has so far managed to keep all the balls he has been juggling in the air. If Topolanek does regain control over his party in early December, he will be able to deal with CSSD leader Paroubek -) but also with his coalition partners -) from a position of greater strength. Topolanek will have little time left before the Czechs assume the EU presidency to put in place a new cabinet and his political arrangement with the opposition. He will also be forced to manage several key pieces of legislation in the aftermath of the failed November 25 parliamentary session (ref E). The politically jam-packed December does not therefore bode well for a smooth EU presidency transition, but the Czechs, as always, are full of surprises, both good and bad.

COMMENT: FAITH IN ANGELS

¶13. (C) The ODS congress and the leadership elections fall on St. Nicholas Day (December 6), a day traditionally celebrated throughout the Czech Republic with figures dressed as St. Nicholas, the devil, and an angel visiting children and giving them gifts. Senate Chairman Sobotka told us recently that ODS will need an angel to appear at their congress, so that the party can get through this difficult time. While the initial panic within the party that followed the two back-to-back electoral losses in October has abated, the party remains badly fractured. It appears that PM Topolanek will be able to hold on to his party chairmanship at the party's congress, but his reelection by no means ensures that the party will be able to reunite and adopt the necessary changes. Indeed, Topolanek's detractors argue that this will be impossible under his continued leadership. The party's long term prospects will remain troubled, if for no other reason than the widely held perception that the party's officials -- at all levels of the government -- have become

PRAGUE 00000737 004 OF 004

too arrogant and corrupt. According to one prominent ODS parliamentarian, the party deserved the thrashing it received in October because this perception is perfectly justified. Consequently, the ODS congress participants are just as likely to be visited by the devil.
Graber